

THE UTAH TELECOMMUNICATION OPEN INFRASTRUCTURE AGENCY

RESOLUTION NO. 07-10

**A RESOLUTION APPROVING AN ANNUAL BUDGET FOR
THE FISCAL YEAR COMMENCING JULY 1, 2007, AND
ENDING JUNE 30, 2008.**

WHEREAS, UTOPIA was created on April 20, 2002, pursuant to an Interlocal Cooperative Agreement; and

WHEREAS, Sections 12.3 and 16.2 of the Agreement provide that the Board of Directors shall approve an annual budget; and

WHEREAS, the bylaws require that the Treasurer act as Budget Officer for UTOPIA, that the budget be adopted by resolution in an open meeting, that the budget be made available for public inspection during regular business hours, and that the budget be certified by the Budget Officer and filed with the State Auditor within 30 days of adoption.

NOW, THEREFORE, BE IT RESOLVED by the UTOPIA Board of Directors that the budget for Fiscal Year 2007-2008, attached as Exhibit A, is hereby approved and the Treasurer is hereby directed to certify a copy of the budget, to file a copy of the budget in the office of the Treasurer to be available to the public during regular business hours, and to file the budget with the State Auditor within 30 days of adoption.

PASSED, APPROVED, and MADE EFFECTIVE this 11 day of June, 2007.



BOARD OF DIRECTORS

CHAIR

ATTEST:

SECRETARY

Exhibit A
Utah Telecommunication Open Infrastructure Agency
Proposed Budget for the year ended JUNE 30, 2008

	ACTUAL FYE 2006	AMENDED FYE 2007	PROPOSED FYE 2008
OPERATING BUDGET			
Subscriber Data			
Subscribers		6,493	13,000
Revenue	1,807,323	2,247,087	4,700,000
Operating Expenses			
Wages / Benefits	648,547	990,194	1,000,000
Other operating Expenses	202,339	394,920	458,000
Total Operating Expenses	850,886	1,385,113	1,458,000
Total Professional Services	679,845	296,053	350,000
Total Network Management	4,634,152	4,309,040	4,350,000
Other Income / Expense			
Other Expense	248,450	-	-
Other Income	(219,786)	(4,658,269)	-
Depreciation	2,643,074	4,746,000	7,200,000
Interest Income	(922,583)	(790,730)	(600,000)
Interest Expense	4,248,038	7,711,077	9,250,000
Total Other Income / Expense	5,997,192	7,008,077	15,850,000
Total Expenses	12,162,075	12,998,284	22,008,000
Net Income	<u>(10,354,752)</u>	<u>(10,751,196)</u>	<u>(17,308,000)</u>
CAPITAL BUDGET			
Engineering		4,004,361	2,000,000
Outside Plant		684,084	18,000,000
Intercity Connections		17,697	2,000,000
Inside Plant		569,728	2,000,000
Customer Premise Equipment		136,173	1,000,000
Subscriber Connections		698,571	3,000,000
Office Equipment		89,638	-
Vehicles, Tools and Equipment		244,991	-
Construction in Progress		6,880,581	2,000,000
Total Capital Expenditures	<u>-</u>	<u>13,325,824</u>	<u>30,000,000</u>
FINANCING			
Series 2006 Bonds		30,000,000	
Principal Payments		(1,400,000)	(1,300,000)
Series 2007 RUS		12,600,000	25,000,000
Principal Payments			
Net Financial Activities		41,200,000	23,700,000

**Presentation of Exhibit A in Previous Budget Format
Utah Telecommunication Open Infrastructure Agency
Proposed Budget for the year ended JUNE 30, 2008**

	A	B	C
	Actual FY06	Amended FY07	Proposed FY08
Sources of Funds:			
Operating Revenue:			
1 Charges for Services	950,032	1,750,589	4,700,000
2 Interest income	893,971	5,389,754	600,000
3 Other income	495,259	154,978	
4 New subscriber discount		(69,328)	
Other Financing Sources:			
5 Operating loans	1,121,818		
6 Bond proceeds		42,600,000	25,000,000
7 Prior Period Net	50,267,011	6,997,978	17,064,433
8 Total Sources of Funds	53,728,091	56,823,971	47,364,433
Uses of Funds:			
Agency operations			
9 Salaries and Benefits	648,547	965,194	1,000,000
10 Other Operating Expenses	1,023,985	1,174,804	808,000
Network Investment and operations			
11 Network operations	4,634,151	4,309,040	4,350,000
12 Customer Installations		400,000	2,600,000
13 Capital Outlay	36,163,469	21,125,824	27,400,000
Debt Service			
14 Bond issuance costs	261,576	1,316,125	
15 Debt Service Reserve			
16 Debt Service	3,998,385	10,468,551	10,300,000
17 Total Uses of Funds	46,730,113	39,759,538	46,458,000
18 Net	6,997,978	17,064,433	906,433